

CERTIFIED MAIL

NOV 15 1989

Dear Applicant:

We have considered your application for exemption from Federal income tax as an organization described in section 501(c)(6) of the Internal Revenue Code of 1954.

The information submitted show that you were incorporated on [REDACTED] under the laws of the State of [REDACTED].

Your primary purpose as stated in your charter is to facilitate support in communications throughout the United States for users of [REDACTED] software.

Your activities are to provide access to the [REDACTED] software system by dues-paying members, printing and distribution of a newsletter to members and an annual conference.

Your income is primarily from dues and fees from conferences. Expenses are for the arrangement of the conferences.

Section 501(c)(6) of the Code provides for the exemption from Federal income tax of business leagues not organized for profit, no part of the net earnings of which inures to the benefit of any private shareholder or individual.

Section 1.501(c)(6)-1 of the Income Tax Regulations defines a business league as an association of persons having some common business interest, the purpose of which is to promote such common interest. Its activities should be directed towards the improvement of business conditions in one or more lines of business as distinguished from the performance of particular services for individual persons.

Code	[REDACTED]	Reviewer	Reviewer	Reviewer	Reviewer	Reviewer	Reviewer
Surname	[REDACTED]	[REDACTED]					
Date	8/4/89	11-15-89					

[REDACTED]

Revenue Ruling 83-164, found in Cumulative Bulletin 1983-2, page 95, held that an organization whose primary activity is promoting the interest of users of one particular brand of computer does not qualify for exemption from Federal income tax as a business league under Section 501(c)(6) of the Code.

Based on the information submitted, it appears that you are organized to promote your members' business interest in [REDACTED] and not to improve the business conditions of one or more lines of business as stated in Section 1.501(c)(6)-1 of the Regulations.

Further, the activities you conduct are all directed to serving the private interest of your members rather than a public interest and your operations are similar to those of the organization described in Revenue Ruling 83-164.

Therefore, we have concluded that you are not an organization described in Section 501(c)(6) of the Code. Based on the information submitted, exempt status will not be recognized under any related paragraph of the Code 501(c).

You are required to file Federal income tax returns on Form 1120. If you do not accept our findings, we recommend that you request a conference with a member of our Regional Office of Appeals. Your request for a conference should include a written appeal giving the facts, law, and any other information to support your position as explained in the enclosed Publication 892. You will then be contacted to arrange a date for a conference. The conference may be held at the Regional Office, or if you request, at any mutually convenient District Office. If we do not hear from you within 30 days of the date of this letter, this determination will become final.

Sincerely yours,

[REDACTED]  
District Director

Enclosure: Publication 892